

Message Text

CONFIDENTIAL

PAGE 01 LONDON 14019 01 OF 02 111440Z

53

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

COME-00 TRSE-00 SIL-01 LAB-04 /071 W

----- 060194

R 111426Z SEP 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 4622

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

C O N F I D E N T I A L SECTION 01 OF 02 LONDON 14019

E.O. 11652: GDS

TAGS: PINT, PGOV, UK

SUBJECT: LABOR PARTY CONFERENCE BATTLE SHAPING UP

REF: (A) LONDON 13797 (B) LONDON 13575

SUMMARY - LABOR PARTY'S ANNUAL CONFERENCE (SEPTEMBER 29 - OCTOBER 3) IS EXPECTED TO BRING A RENEWAL OF THE CONFLICT BETWEEN THE OARTY'S RIGHT- AND LEFT-WINGS ON VARIETY OF ISSUES AND IN NATIONAL EXECUTIVE COMMITTEE (NEC) ELECTIONS. LEFTIST CONSTITUENCY PARTY ORGANIZATIONS AND TRADE UNIONS WILL CHALLENGE WILSON GOVERNMENT ON ECONOMIC, INDUSTRIAL AND DEFENSE POLICY ISSUES AND ON ORGANIZA-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 14019 01 OF 02 111440Z

TIONAL MATTERS HAVING IMPORTANT IMPLICATIONS FOR CONTROL

OF PARTY APPARATUS. FOREIGN POLICY IS NOT EXPECTED TO BE MAJOR POINT OF CONTENTION. WE HASTEN TO ADD THAT EXPECTED CONFLICT IS NOT RESULT OF RADICAL LEFTIST BID FOR CONTROL, AS HAS BEEN INTIMATED BY SOME ELEMENTS OF BRITISH MEDIA; RATHER IT IS PRODUCT OF ECONOMIC TROUBLES FACING GOVERNMENT, GROWING GRASS ROOTS DISILLUSIONMENT WITH PROPOSED SOLUTIONS TO THESE PROBLEMS AND CONTINUATION OF PREVIOUSLY NOTED LEFTWARD TREND WITHIN PARTY. OUR TENTATIVE ASSESSMENT IS THAT WHILE SOME RESOLUTIONS SEVERELY CRITICAL OF GOVERNMENT'S PROGRAM AND POLICIES MAY BE APPROVED BY CONFERENCE, THEIR OPERATIVE SIGNIFICANCE WILL BE MARGINAL. INCREASED LEFT-WING REPRESENTATION ON NEC, HOWEVER, SEEMS INEVITABLE, AS SEVERAL MODERATES MAY BE OUSTED. END SUMMARY.

1. ANNUAL CONFERENCE OF LABOR PARTY WILL MEET SEPTEMBER 29 - OCTOBER 3 IN BLACKPOOL, AND IS EXPECTED TO PROVIDE NEW COCKPIT FOR LONG-STANDING STRUGGLE BETWEEN PARTY'S RIGHT- AND LEFT-WINGS. GROWING LEFT-WING HOSTILITY TOWARD WILSON GOVERNMENT, ON WHICH WE HAVE REPORTED PREVIOUSLY, HAS INTENSIFIED IN RECENT MONTHS AND DISSIDENT CABINET MINISTER TONY BENN SEEMS DETERMINED CHALLENGE PRIME MINISTER WILSON (REF A). LEFTIST DISSATISFACTION HAS BEEN FUELED BY GROWING UNEMPLOYMENT AND ANTI-INFLATION MEASURES ADOPTED BY GOVERNMENT, TOGETHER WITH FRUSTRATION OVER ITS INABILITY TO INFLUENCE GOVERNMENT POLICIES AND LINGERING RESENTMENT OVER THE EC CAMPAIGN.

2. EXTENT OF LEFT-WING AND GRASS ROOTS DISSATISFACTION IS CLEARLY MANIFESTED IN MANY RESOLUTIONS ON CONFERENCE AGENDA WHICH CHALLENGE OR CRITICISE SPECIFIC GOVERNMENT POLICIES AND THEIR EFFECTS, E.G., REDUCED PUBLIC EXPENDITURE (REAL TERMS), UNWILLINGNESS TO RESORT TO PROTECTIONIST IMPORT POLICIES, RISING UNEMPLOYMENT, DELAYS IN NATIONALIZATION PLANS, INADEQUATE PRICE CONTROLS AND DEFENSE SPENDING. WE ANTICIPATE, HOWEVER, THAT GOVERNMENT WILL BE ABLE TO INFLUENCE CONFERENCE COMPOSITING PROCEDURE SO AS TO WATER DOWN MOST HOSTILE RESOLUTIONS AND THOSE WHICH, IF APPROVED, WOULD HAVE DIRECT OPERATIONAL IMPLICATIONS. IN ADDITION, TUC CONFERENCE ENDOR-

CONFIDENTIAL

PAGE 03 LONDON 14019 01 OF 02 111440Z

SEMENT OF GOVERNMENT'S ANTI-INFLATION PROGRAM (REF B) WILL LIMIT TRADE UNION SUPPORT FOR MANY OF THESE RESOLUTIONS -- TO BE BINDING LABOR PARTY POLICY, RESOLUTIONS MUST BE AOPROVED BY TWO-THIRDS MAJORITY, THUS NECESSITATING LARGE SCALE UNION SUPPORT, AS UNIONS CONTROL OVER 80 PERCENT OF ALL VOTES CAST AT CONFERENCE -- THOUGH ENGINEERING (AUEW). TECHNICAL WORKERS (ASTMS) AND OTHER LEFTIST DOMINATED UNIONS MAY IGNORE TUC DECISION AND

VOTE FOR SOME RESOLUTIONS WHICH ARE EXPLICITLY OR IMPLICITLY AT VARIANCE WITH TUC POSITION. AT THIS POINT, HOWEVER, IT APPEARS PROBABLE THAT GOVERNMENT WILL SUCCEED IN LIMITING DAMAGE ON MOST OF CONTENTIOUS ISSUES TO ACCEPTABLE LEVELS. HOWEVER, DEFENSE SPENDING, CRITICIAM OF WHICH OFTEN SEEMS TO BE MOTHER'S MILK OF LABOR PARTY CONFERENCE, COULD PROVE TO BE EXCEPTION. PROSPECTS FOR PASSAGE OF RESOLUTION DEMANDING FURTHER CUTS IN DEFENSE BUDGET, AT LEAST AT THIS POINT, APPEAR TO BE GOOD. CONFERENCE AGENDA DOES NOT INCLUDE ESPECIALLY CONTENTIOUS

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 14019 02 OF 02 111447Z

53

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

COME-00 TRSE-00 SIL-01 LAB-04 /071 W

----- 060243

R 111426Z SEP 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 4623

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

C O N F I D E N T I A L SECTION 02 OF 02 LONDON 14019

FOREIGN POLICY RESOLUTIONS, THOUGH THERE IS ONE WHICH IS OVERTLY ANTI-U.S. -- I.E., HMG SHOULD NOT HAVE "SPECIAL RELATION" WITH USG. WE UNDERSTAND IT WILL NOT BE ALLOWED TO REACH FLOOR. LEFT-WING MAY ALSO TRY TO INTRODUCE LAST MINUTE RESOLUTION ON PORTUGAL UNDER "EMERGENCY RESOLUTION" PROCEDURE.

3. GOVERNMENT AND PARTY MODERATES WILL ALSO FACE ORGANIZATIONAL AND PROCEDURAL CHALLENGES WHICH, IF APPROVED, WOULD RADICALLY ALTER STRUCTURE OF PARTY AND ITS POWER CENTERS. MOST FAR-REACHING OF SEVERAL SIMILAR PROPOSALS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 14019 02 OF 02 111447Z

WOULD HAVE CONFERENCE ELECT PARTY LEADER AND "CABINET" ANNUALLY (PARLIAMENTARY LABOR PARTY NOW ELECTS LEADER AND WHEN IN POWER HE SELECTS HIS OWN CABINET). OTHER RESOLUTIONS WOULD REQUIRE INCUMBENT MOS TO BE FORMALLY RENOMINATED BY CONSTITUENCY PARTIES BEFORE EACH GENERAL ELECTION. ALTHOUGH NONE OF FORMER RESOLUTIONS HAS SERIOUS CHANCE OF PASSAGE, LATTER ARE EXPECTED TO ATTRACT CONSIDERABLE, BUT PROBABLY LESS THAN MAJORITY, SUPPORT. DIVISION OF UNION VOTES WILL BE KEY ON THIS ISSUE, AS IT HAS STRONG CONSTITUENCY PARTY SUPPORT.

4. LEFT-WING IS LIKELY TO OBTAIN GREATER SATISFACTION FROM NEC ELECTIONS, WHERE SEVERAL MODERATE INCUMBENTS FACE STRONG CHALLENGES. PARTY TREASURER JIM CALLAGHAN WILL AGAIN BATTLE TRIBUNITE NORMAN ATKINSON, WHO IS BACKED BY TWO LARGEST UNIONS (TGWU AND AUEW) AS WELL AS SEVERAL SMALLER UNIONS AND SOME 50 CONSTITUENCY PARTIES, IN HEAD-TO-HEAD CONTEST. CALLAGHAN IS EXPECTED TO RETAIN HIS POST, THOUGH IT COULD BE A VERY CLOSE RACE. LEFT IS ALMOST CERTAIN TO PICK UP ONE NEC SEAT, THAT OF MODERATE MO JOHN CARTWRIGHT WHO HAS REPRESENTED COOPERATIVE MOVEMENT. HE IS NOT STANDING FOR RE-ELECTION. CHANCELLOR DENIS HEALEY, PRICES SECRETARY SHIRLEY WILLIAMS AND NEC VICE CHAIRMAN TOM BRADLEY FACE TOUGH FIGHTS TO RETAIN THEIR POSITIONS AS CONSTITUENCY WOMENS AND UNION REPRESENTATIVES, RESPECTIVELY. ALL HAD NARROW MARGINS OF VICTORY LAST YEAR, AND BRADLEY, WHO WILL BECOME NEC CHAIRMAN IF RE-ELECTED, LOOKS TO BE IN THE STRONGEST POSITION. WITH NEC ALREADY DOMINATED BY LEFT-WINGERS AND ONE ADDITIONAL SEAT A VIRTUAL CERTAINTY, INCREASED LEFTIST REPRESENTATION ON NEC WILL NOT BE A DRAMATIC CHANGE. IT WILL, HOWEVER, INCREASE THE POSSIBILITY OF A SERIOUS GOVERNMENT/PARTY CONFRONTATION OCCURRING WITHIN THE NEXT YEAR. IDEOLOGICAL BALANCE OF NEC IS ALSO IMPORTANT REFLECTION OF PREVAILING DISSATISFACTION WITHIN THE PARTY, WHICH BENN AND OTHERS WILL TRY TO EXPLOIT.

5. COMMENT: AS CURRENTLY SHAPING UP, THE PARTY CONFERENCE IS LIKELY TO BE AN UNPLEASANT AFFAIR FOR WILSON, HIS GOVERNMENT AND LABOR MODERATES. WHETHER ITS OUTCOME WILL ACTUALLY REPRESENT A SERIOUS SETBACK FOR THE MODE-
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 14019 02 OF 02 111447Z

RATE CAUSE, HOWEVER, IS PROBLEMATIC. CLEARLY, THE LEFT'S INFLUENCE WITHIN THE PARTY HAS INCREASED OVER THE PAST FEW YEARS, AND THIS TREND IS LIKELY TO CONTINUE THIS YEAR AT BLACKPOOL. THE ANTICIPATED LEFTIST GAINS, HOWEVER, WILL PROBABLY BE AT LEAST AS MUCH A FUNCTION OF DISSATISFACTION WITH THE CURRENT ECONOMIC SITUATION AND WITH WILSON'S LEADERSHIP AS OF IDEOLOGICAL CHANGE. THE LEFTWARD TENDENCY IS CERTAINLY NOT THE RESULT OF A RADICAL OF TROTSKYITE PUSH IN THE UNIONS AND AT THE GRASS ROOTS OF THE PARTY, AS HAS BEEN SUGGESTED BY SOME OBSERVERS IN RECENT WEEKS. BRITAIN'S CONTINUING ECONOMIC DIFFICULTIES AND THE GOVERNMENT'S EVIDENT INABILITY TO RESOLVE THEM, COUPLED WITH A GROWING PERCEPTION WITHIN THE PARTY THAT THE GOVERNMENT IS BACKSLIDING ON ITS ELECTION MANIFESTO COMMITMENTS, HAVE CAUSED SERIOUS DISQUIET AMONG PARTY REGULARS OF ALL IDEOLOGICAL PERSUASIONS, RIGHT, CENTER AND LEFT. THOSE TO THE LEFT OF CENTER, AND ESPECIALLY AT THE ORGANIZATIONAL ROOTS, ARE UNWILLING TO TRUST WILSON'S LEADERSHIP AND ARE TRYING TO ENHANCE THEIR OWN CAPACITY TO INFLUENCE IMPORTANT PARTY AND GOVERNMENT DECISIONS. THAT LEADERS OF THE PARTY'S LEFT-WING, SUCH AS BENN. AND TO A LESSER EXTENT THE MORE RADICAL ELEMENTS, ARE ABLE TO EXPLOIT THIS DISCONTENT IS NOT SURPRISING. IN OUR JUDGMENT, HOWEVER, THE LABOR PARTY IS NOT IN ANY SHORT- OR MEDIUM-TERM DANGER OF FALLING UNDER THE CONTROL OF ELEMENTS WHO WOULD BE HOSTILE TO U.S. INTERESTS. THE LONGER TERM OUTLOOK, OF COURSE, IS LESS CLEAR, BUT WE BELIEVE THE CURRENT TREND COULD BE STEMMED OR REVERSED IF CIRCUMSTANCES, ESPECIALLY THOSE RELATING TO THE ECONOMY, CHANGE.

RICHARDSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLITICAL LEADERS, POLITICAL PARTIES, PARTY MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LONDON14019
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750315-0063
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750962/aaaacdba.tel
Line Count: 266
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 LONDON 13797, 75 LONDON 13575
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 21 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 APR 2003 by BoyleJA>; APPROVED <14 OCT 2003 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LABOR PARTY CONFERENCE BATTLE SHAPING UP
TAGS: PINT, PGOV, UK
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006